

boat fleet for each of fiscal years 2008 through 2014.

(e) REPORT ON C4ISR.—Not later than 90 days after the date of enactment of this Act, the Commandant shall submit to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure a report on the manner in which the Coast Guard is resolving the problems and responding to the recommendations contained in the August 2006 Department of Homeland Security Inspector General Report entitled Improvements Needed in the Coast Guard's Acquisition and Implementation of Deepwater Information Technology Systems.

(f) AMENDMENT OF 2006 ACT.—Section 408(a) of the Coast Guard and Maritime Transportation Act of 2006 is amended—

(1) by striking paragraphs (1) and (3); and
(2) by redesignating paragraphs (2) and (4) through (8) as paragraphs (1) through (6), respectively.

SEC. 9. GAO REVIEW AND RECOMMENDATIONS.

(a) AWARD FEE AND AWARD TERM CRITERIA.—The Coast Guard shall consult with the Comptroller General to ensure that the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO-04-380, and any subsequent Government Accountability Office recommendations with respect to award fee and award term criteria will be addressed to the maximum extent practicable in any contract, delivery order, or task order or extension of the existing contract for procurement under or in support of the Integrated Deepwater Program entered into after the date of enactment of this Act.

(b) OTHER RECOMMENDATIONS.—The Commandant shall ensure that all other recommendations in that report, and any subsequent recommendations issued before March 1, 2007, are implemented to the maximum extent practicable by the Coast Guard within 1 year after the date of enactment of this Act, and implement subsequent recommendations to the maximum extent practicable as they arise.

(c) GAO REPORTS ON IMPLEMENTATION.—Beginning 6 months after the date of enactment of this Act, the Comptroller General shall submit an annual report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the Coast Guard's progress in implementing the provisions of this Act, the Government Accountability Office's recommendations, in its March, 2004, report entitled Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight, GAO-04-380, and any subsequent Government Accountability Office recommendations issued before March 1, 2007.

SEC. 10. INSPECTOR GENERAL REVIEW OF DEEPWATER PROGRAM.

Not later than 240 days after the date of the enactment of this Act, the Inspector General of the Department of Homeland Security shall submit to the Secretary, and to Congress, a report on the acquisition of assets under the Deepwater program. The report shall include—

(1) a description of each decision, if any, of the Coast Guard or Integrated Coast Guard Systems relating to the acquisition of assets under the Deepwater program that directly or indirectly resulted in cost overruns or program cost increases to the United States; and
(2) an assessment whether any decision covered by paragraph (1) violated the terms of the contract of Integrated Coast Guard Systems for the Deepwater program;

(3) an assessment of how much program costs under the Deepwater program have increased as a result of any such decision; and

(4) an assessment of whether the Coast Guard or Integrated Coast Guard Systems is responsible for the payment of any cost overruns associated with any such decision.

SEC. 11. DEFINITIONS.

In this Act:

(1) COMMANDANT.—The term "Commandant" means the Commandant of the United States Coast Guard.

(2) INTEGRATED DEEPWATER PROGRAM.—The term "Integrated Deepwater Program" means the Integrated Deepwater Systems Program described by the Coast Guard in its Report to Congress on Revised Deepwater Implementation Plan, dated March 25, 2005, including any subsequent modifications, revisions, or restatements of the Program.

(3) PROCUREMENT.—The term "procurement" includes development, production, sustainment, modification, conversion, and missionization.

ENERGY BILL SIGNING

Mr. REID. Mr. President, I just returned from the White House for the signing of the Energy bill. It is important to note Senator CANTWELL was not at the signing but how important she was. She is not a committee chair, but she was extremely valuable in everything we did getting that Energy bill passed. She was instrumental in working out a number of disputes keeping the bill from passing. But with her hard work, when she focuses on something, it really helps a lot. I have had experience with her in the past. Her work on the Energy bill was extremely invaluable. I appreciate her help very much.

NATIONAL RESERVIST AND VETERAN SMALL BUSINESS REAUTHORIZATION AND OPPORTUNITY ACT OF 2007

Mr. REID. Mr. President, I ask unanimous consent that the Small Business and Entrepreneurship Committee be discharged from further consideration of S. 1784 and the Senate then proceed to its immediate consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1784) to amend the Small Business Act to improve programs for veterans, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. KERRY. Mr. President, a few months ago, I introduced the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act. As the chairman of the Senate Committee on Small Business and Entrepreneurship, I was gratified that I was able to work with Ranking Member Senator SNOWE on behalf of this Nation's veterans. I was also pleased that this bill was added by unanimous consent as an amendment to the Department of Defense Authorization, although disappointed when the final

House-Senate negotiated compromise did not make it as part of the final bill.

In November, Senator SNOWE and I sought to pass this bill in the Senate only to meet with objections from my respected colleague from Oklahoma. I am pleased to say that Senator COBURN has worked with me in good faith and that we have reached an agreement that addresses his concerns. We have sought to protect the language that the House and Senate agreed upon and done our utmost to improve the resources that are available to our Nation's veterans. Although this bill is not perfect or exactly as I may have envisioned, it is an important step forward in supporting the American dream of business ownership for veterans and reservists.

Passing these provisions into law has been one of my highest priorities since becoming chairman of the Committee on Small Business and Entrepreneurship in January. My first hearing as chairman was devoted to veteran small business issues, and this bill arises directly from the complaints that we heard there. America's veterans and reservists have sacrificed enough in fighting for our country; they shouldn't have to sacrifice their jobs and their livelihoods when they come home.

There are 25 million veterans in this country. In the last 4 years, alone, nearly 600,000 veterans have returned from serving in Iraq and Afghanistan. Roughly 56 percent are reserve and National Guard members, who continue to serve this Nation at unprecedented levels. This is taking a toll not just on their families, but on their businesses as well. We are in an era where employers do not want to hire reservists because they know they will be called up for lengthy deployments. At a Small Business Committee hearing on veterans' issues earlier this year, one of the witnesses raised concerns about a lack of employer support for reservists due to the new policy that allows reservists to be called up for a second tour of 24 months.

I am also deeply concerned that recently discharged veterans have a higher unemployment rate—double that of their civilian counterparts. In addition, the number of service disabled veterans is increasing—167,000 discharged between 2002 and 2005—and their self-employment rate is lower than the national average.

This bill is a first step in addressing these concerns and it builds on important lessons we learned from Vietnam, not to leave another generation of veterans behind.

The Military Reservists and Veteran Small Business Reauthorization and Opportunity Act of 2007 takes a number of steps to improve the Government's role in supporting our veterans. Specifically, it reauthorizes the veteran programs in the Small Business Administration. This legislation increases the funding authorization for the Office of Veteran Business Development from

\$2 million today to \$2.3 million over 2 years. In light of the large numbers of veterans returning from Iraq and Afghanistan and increased responsibilities placed on this office by Executive Order 13360, it is high time that the Office of Veteran Business Development receive the funding levels that it needs.

The bill also creates an Interagency Task Force to improve coordination between agencies in administering veteran small business programs. One of the biggest complaints that our committee heard at the "Assessing Federal Small Business Assistance Programs for Veterans and Reservists" hearing held on January 31 was that Federal agencies do not work together in reaching out to veterans and informing them about small business programs. This task force is an attempt to improve that. The task force will focus on increasing veterans' small business success, including procurement and franchising opportunities, access to capital, and other types of business development assistance.

This bill also permanently extends the SBA Advisory Committee on Veterans Business Affairs. The committee was created to serve as an independent source of advice and policy recommendations to the SBA, the Congress, and the President. The veteran small business owners who serve on this committee provide a unique perspective which is sorely needed at this challenging time. Unfortunately, continuing uncertainty about the committee's future has, at times, distracted the committee from focusing on its core function. Therefore, I have called for its permanent extension. It is clear to me that more needs to be done to address the issues facing veterans and reservists, and the role this committee plays will continue to be important.

Additionally, I have taken a number of steps to better serve the reservists who are serving their country abroad while their businesses are suffering at home. Over the past decade, the Department of Defense has increased its reliance on the National Guard and reserves. This has intensified since September 11 and increased deployments are expected to continue. The effect of this increase on reservists and small businesses continues to remain of concern. A 2003 GAO report indicated that 41 percent of reservists lost income when mobilized. This had a higher effect on self-employed reservists, 55 percent of whom lost income.

In 1999, I created the Military Reservist Economic Injury Disaster Loan, MREIDL, program to provide loans to small businesses that incur economic injury as a result of an essential employee being called to active duty. However, since 2002, fewer than 300 of these loans have been approved by the SBA, despite record numbers of reservists being called to active duty. It is clear that changes need to be made, so that reservists are informed about the availability of the MREIDL program and that the program better meets

their needs. At the hearing on January 31, we heard suggestions for a number of changes which would improve the Military Reservist Economic Injury Disaster Loan program, and I have included those changes in this bill. They include increasing the application deadline for such a loan from 90 days to 1 year following the date of discharge; creating a predeployment loan approval process; and improved outreach and technical assistance.

This bill also increases to \$50,000 the amount SBA can disburse without requiring collateral under the MREIDL program. Reservist families have already sacrificed enough when a family member goes away to serve their country and when their business is harmed as a result. This loan program would allow reservist dependent businesses to access the capital they need to stay afloat without having to sacrifice beyond the service of the key employees. In order to give reservists time to repay the loans, the non-collateralized loan created in this bill would not accumulate interest or require payments for one year or until after the deployment ends, whichever is longer.

There are two more provisions which will help this Nation's service members. One section of the bill will require the SBA to give priority to MREIDL loans during loan processing. Another provision will give activated servicemembers an extension of any SBA time limitations equal to the time spent on active duty. This will make it easier for service members to serve their country while continuing to meet their obligations at home.

Lastly, this bill calls for two reports. One report will look at the needs of service-disabled veterans who are interested in becoming entrepreneurs. As a result of the war on terror and improved medicine, we are seeing more service-disabled veterans than we have seen in decades. For some service-disabled veterans, entrepreneurship is the best or only way of achieving economic independence. Therefore, it is essential that we understand and take steps to address the needs of the service-disabled veteran entrepreneur or small business owner.

This bill also calls for a study to investigate how to improve relations between reservists and their employers. In January, the committee heard that recent changes by the Department of Defense to policies regulating the length and frequency of reservist deployments is harming the ability of reservists to find jobs and the ability of small business owners to continue hiring them. Understanding more about this issue is important and essential to making sure that policymakers can continue to support citizen soldiers and the small businesses that employ them.

The bill also includes a number of other important provisions that were added by the House. For instance, this bill includes language directing the Office of Veterans Business Development to increase the number of Veterans Busi-

ness Outreach Centers and requires them to improve their participation in the Transition Assistance Program. This bill also creates a program reducing 7(a) loan fees for veterans, improves Small Business Development Centers outreach to the veteran community and instructs the Associate Administrator of the Office of Veterans Business Development to create and disseminate information aimed at informing women veterans about the resources available to them. I am pleased that the House and Senate were able to come to an agreement on these provisions.

Veterans possess great technical skills and valuable leadership experience, but they require financial resources and small business training to turn that potential into a viable enterprise. A recent report by the Small Business Administration stated that 22 percent of veterans plan to start or are starting a business when they leave the military. For service-disabled veterans, this number rises to 28 percent.

We owe veterans and reservists more than a simple thank you for their service. The least we can do is provide critical resources to help them start and grow small business and to hold Federal agencies accountable. That is what our bill does.

Ms. SNOWE. Mr. President, I rise today to once again urge my colleagues to support passage of S. 1784, the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007, offered by Senator KERRY and me, chair and ranking member of the Senate Committee on Small Business and Entrepreneurship. I have spoken about this bill on multiple occasions because it is truly critical that our fellow colleagues, in each Chamber and both sides of the aisle, continue to collaborate on our veterans' behalf and support swift passage of this legislation. This bipartisan legislation contains key provisions from both S. 904, the Veterans Small Business Opportunity Act of 2007, which I introduced in March, and Senator KERRY's S. 1005, Military Reservist and Veteran Small Business Reauthorization Act of 2007.

This legislation would have an immediate impact on our men and women fighting around the globe for the freedoms we enjoy every day. First, our bill makes vast improvements to the Small Business Administration's, SBA, Military Reservist Economic Disaster Loan, MREIDL, program. The MREIDL program provides funds to businesses to meet ordinary and necessary business expenses that they could have made, if not for the deployment of a reservist who is one of their essential employees.

Specifically, the bill establishes a pre-application process so businesses can be prepared, in advance, to apply for an MREIDL and includes a provision allowing businesses up to one year, as opposed to 90 days, to apply. The legislation increases, from \$1.5 million to \$2 million, the maximum

MREIDL loan a business can take and raises, from \$5,000 to \$50,000, the level of uncollateralized MREIDL loans available to businesses. Finally, our changes to the MREIDL program would allow the SBA administrator to defer the payment of principal and interest while the employee is deployed.

The bill would also create a new interagency task force to coordinate the efforts of Federal agencies necessary to increase capital and business development opportunities for, and increase the award of Federal contracting opportunities to, small businesses owned and controlled by veterans. This type of coordinated and targeted effort by our Federal Government is long overdue.

Additionally, today's legislation would increase funding for the SBA's Office of Veterans Business Development, and permanently extend the duties and responsibilities of the SBA Advisory Committee on Veterans Business Affairs. It would also allow small businesses owned and operated by veterans to extend their SBA program participation time limitations by the duration of their owner's deployment.

While I have not provided an exhaustive list of this bill's provisions and all that it would do, a simple review of the legislation will reveal that it goes far toward helping our Nation's veteran entrepreneurs and our patriotic small businesses that employ reservists, despite the risk that deployments entail. To that end, I once again urge my colleagues to join us in support of this bill.

Mr. REID. I understand there is a substitute amendment at the desk. I ask unanimous consent that the Coburn amendment at the desk be considered agreed to; the substitute, as amended, be agreed to; the bill, as amended, be read a third time, and the Senate then proceed to H.R. 4253, which is at the desk; that all after the enacting clause be stricken and the text of S. 1784, as amended, be inserted in lieu thereof; that the bill be advanced to third reading, passed, and the motion to reconsider be laid on the table; that any statements relating to this matter be printed in the RECORD without further intervening action or debate; and that S. 1784 then be placed on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 3886) was agreed to, as follows:

On page 4, line 25, strike "increase" and all that follows through "opportunities to" on page 5, line 2, and insert "improve capital and business development opportunities for, and ensure achievement of the pre-established Federal contracting goals for".

On page 5, line 10, after the semicolon, add "and".

On page 5, line 22, strike "; and" and insert a period.

On page 5, strike lines 23 through 25.

On page 6, strike line 1 and all that follows through page 7, line 16, and insert the following:

"(3) DUTIES.—The task force shall—

"(A) consult regularly with veterans service organizations and military organizations in performing the duties of the task force; and

"(B) coordinate administrative and regulatory activities and develop proposals relating to—

"(i) improving capital access and capacity of small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through loans, surety bonding, and franchising;

"(ii) ensuring achievement of the pre-established Federal contracting goals for small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;

"(iii) increasing the integrity of certifications of status as a small business concern owned and controlled by service-disabled veterans or a small business concern owned and controlled by veterans;

"(iv) reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;

"(v) increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and

"(vi) making other improvements relating to the support for veterans business development by the Federal Government.

On page 9, strike line 13 and all that follows through page 10, line 8, and insert the following:

"(e) WOMEN VETERANS BUSINESS TRAINING.—The Associate Administrator shall—

"(1) compile information on existing resources available to women veterans for business training, including resources for—

"(A) vocational and technical education;

"(B) general business skills, such as marketing and accounting; and

"(C) business assistance programs targeted to women veterans; and

"(2) disseminate the information compiled under paragraph (1) through Veteran Business Outreach Centers and women's business centers."

On page 11, strike line 10 and all that follows through page 20, line 23, and insert the following:

SEC. 201. VETERANS ASSISTANCE AND SERVICES PROGRAM.

On page 22, between lines 10 and 11, insert the following:

SEC. 202. DISASTER LOANS.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended—

(1) in subparagraph (E), by striking "unless" and all that follows and inserting a period; and

(2) by inserting after subparagraph (I), the following:

"(J) There shall be reasonable assurance that a loan recipient under this paragraph can repay the loan of personal or business cash flow."

On page 22, line 21, strike "waive" and all that follows through "date" on line 23 and insert "extend the ending date specified in the preceding sentence by not more than 1 year".

On page 24, line 4, strike "shall" and insert "may".

On page 32, between lines 9 and 10, insert the following:

(d) ADDITIONAL STUDY.—Not later than 180 days after the date of enactment of this Act, the Office of Advocacy of the Administration shall submit to Congress a report describing—

(1) the barriers in place arising from Federal regulations for veterans who wish to become entrepreneurs;

(2) the barriers in place arising from the tax code for veterans who wish to become entrepreneurs; and

(3) any recommendations for how best to eliminate those barriers to better assist current or prospective veteran small business owners.

The substitute amendment (No. 3885), as amended, was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill was ordered to be engrossed for a third reading and was read the third time.

The bill (H.R. 4253), as amended, was ordered to be read a third time, was read the third time and passed.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

YEAR-END LEGISLATIVE WRAP-UP

Mr. MCCONNELL. Mr. President, last night, when everybody was rushing around in the well during the last vote and wishing each other a Merry Christmas, I was reminded of something Senator LOTT said yesterday morning. He told us not to forget that we all have normal lives and families to get home to and the same basic concerns in life as everybody else; and that if we forget that, then this body is in serious trouble.

It is in that spirit that I would like to wrap up the year in pretty much the same way I tried to open it, by urging a little more cooperation and civility. About a year ago now, I called on my colleagues from both sides of the aisle to take advantage of the rare opportunity divided government gave us to tackle big issues on a bipartisan basis. Beyond that, I said Republicans had a few basic priorities: keeping Americans safe and secure, protecting their basic freedoms, protecting their wallets, and spending their money wisely. I said we would not hesitate to ensure these priorities by shaping worthy legislation or by blocking legislation that would undermine them.

Looking back on the year, I think we have been pretty successful at it.

Early on, Democrats presented us with a minimum wage bill that undermined small businesses, and it did not pass. When they agreed to include a tax break, it sailed through by a vote of 94-3. We shaped that one.

A little later, Democrats gave us an energy conservation bill that would have led to higher taxes, and it did not pass. When they agreed to remove the tax hikes 6 months later, it passed easily, 86-13. We shaped that one.

Then they offered to extend a ban on the AMT middle-class tax hike for 1 more year, but to cover the cost by imposing a new tax on the same 23 million Americans who are about to be